

COMMISSIONER'S OFFICE

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**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

DHC-2854
COMMERCIAL RESOURCES
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ROYALTY MANAGEMENT
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SURFACE RESOURCES
Phone (505) 827-5793
Fax (505) 827-5711

April 19, 2001

Bass Enterprises Production Company
P.O. Box 2760
Midland, Texas 79702-2760

Attn: Ms. Tami Wilbur

Re: Downhole Commingling Application
James Ranch Unit Well No. 79
Lot 1, Section 6-23S-31E
Quahada Ridge (Delaware) SE, Los Medanos (Bone Spring) South, Los Medanos (Wolfcamp) South Pools
Eddy County, New Mexico

Dear Ms. Wilbur:

Your application to downhole commingle the Quahada Ridge (Delaware) SE, Los Medanos (Bone Spring) South, and Los Medanos (Wolfcamp) South production from within the wellbore of the above-captioned well was received on March 29, 2001.

It is our understanding that production from the subject well will be allocated as follows:

<u>POOL</u>	<u>ALLOCATION</u>	
	<u>Oil%</u>	<u>Gas%</u>
Quahada Ridge (Delaware) SE	43%	25%
Los Medanos (Bone Spring) South	34%	45%
Los Medanos (Wolfcamp) South	23%	30%
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	100%	100%

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Bass Enterprises Production Company
April 19, 2001
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Your \$30.00 dollar filing fee has been received.

Also, please submit a copy of the Oil Conservation Division and the Bureau of Land Management's approvals.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm
Enclosure
xc: Reader File

OCD--Attention: David Catanach

BLM